

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NORTH DAKOTA

In re:

Drain Services, Inc.

Bankr. No. 23-30352

Debtor

Chapter 11

REPLY TO MOTION TO WITHDRAW AS ATTORNEY

COMES NOW the Acting United States Trustee (UST) through his undersigned attorney files this reply to the Motion to Withdraw as Attorney (Doc. 152). In support of her reply, she states the following:

1. The UST does not object to the motion.
2. The UST files this reply to provide the Court with a report on the status of the case.
3. Presently, the Debtor has not substantially consummated the Chapter 11 Subchapter V Plan that was confirmed non-consensually on January 20, 2024 (Doc. 143).
4. At Section 3.02, the Debtor agreed to pay administrative claims in full on the effective date of the Plan and thereafter in February, March, and April 2024.
5. Upon information and belief, the following administrative claims of the Subchapter V Trustee that were allowed after confirmation have not been paid¹:
 - a. \$3,686.63 for fees and expenses (allowed by Order Doc. 14 dated February 14, 2024)

¹ The administrative expense of the Subchapter V Trustee allowed prior to confirmation totaling \$4,812 (\$5,105.58- sales tax of \$293.26) (Order Doc. 98) has been paid.

b. \$1,629.90 for fees and expenses (allowed by Order Doc. 150 dated March 4, 2024)

6. Since the Plan at Section 3.02 may be read to allow the Debtor until the end of April 2024 to pay administrative expenses allowed after confirmation of the plan, the UST does not believe a motion to dismiss or convert this case is appropriate at this time, but the UST did want to inform that Court that it was monitoring the case to see if dismissal or conversion of the case is necessary for cause under Section 1112(b)(4)(M) as an inability to effectuate substantial consummation of a confirmed plan and/or Section 1112(b)(4)(N) as a material default by the Debtor with respect to a confirmed plan.

Dated: March 22, 2024

MARY R. JENSEN
Acting United States Trustee Region 12

/s/ Sarah J. Wencil
Sarah J. Wencil
Trial Attorney Iowa Atty. No. 14014
Office of U.S. Trustee
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Certificate of Service

The undersigned hereby certifies under penalty of perjury that on March 22, 2024, she electronically filed the attached: Reply, thereby causing service by CM/ECF. A copy was also mailed by first class mail postage pre-paid to the Debtor at the address set forth below:

US MAIL

Drain Services Inc.
Attn: Kevin Cameron
415 Main Ave E
Ste 691
West Fargo, ND 58078

Dated: March 22, 2024

/s/ Sarah J. Wencil
Sarah J. Wencil
Office of the U.S. Trustee